



## **Request for City Council Committee Action From the Office of the City Coordinator**

Date January 10, 2003

To Ways & Means/ Budget Committee

Submitted by Kim W. Havey, Director, Minneapolis Empowerment Zone, 673-5415

Approved by John Moir, City Coordinator

**Subject** Approval of \$300,000 in federal Empowerment Zone funds for the Powderhorn Resident Group, Incorporated to continue implementation of Phase I of Village in Phillips (VIP).

**Presenters in Committee** Kim W. Havey, Director, Minneapolis Empowerment Zone

### **Recommendation**

- (1) Authorize \$300,000 for the Powderhorn Resident Group, Incorporated (PRG) to continue implementation of Phase I of Village in Phillips (VIP), payable from 0300-840-8460; and
- (2) Authorize the proper city officers to execute a contract with PRG, setting forth the terms and conditions of the agreement.

### **Financial Impact**

☒ No financial impact or Action is within current budget.

- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

☐ Request provided to the Budget Office when provided to the Committee Coordinator

### **Background/Supporting Information**

On December 28, 2001 the City Council approved \$200,000 in federal Empowerment Zone funds for implementation of Phase I of Village in Phillips.

The Developer for Village in Phillips, Powderhorn Residents Group (PRG), has requested \$300,000 predevelopment loan from the Empowerment Zone. PRG is currently in the process of assembling the site for the Village in Phillips development and needs access to funds for land acquisition immediately to assure the project stays on schedule.

As part of the first phase of Village in Phillips, PRG will construct 28 townhouses along 24<sup>th</sup> Street between Bloomington Avenue and 17<sup>th</sup> Avenue, 25 of the units will be sold to owner occupants and 3 units will be sold to the Minneapolis Public Housing Authority. Affordability of the units will be targeted as follows: 0-30% Area Median Income (AMI), 3 units (MPHA); 31-50% AMI, 5 units; 51-80% AMI, 10 units; 81-115% AMI, 10 units.

On January 9, 2003 the EZ Executive Committee approved an additional \$300,000 in federal EZ funds for Village in Phillips. As with previous funding, the use of federal EZ funds awarded to Minneapolis are recommended for approval by the EZ Executive Committee or Governance Board and presented to the City Council for final approval.